

GREENWOOD TOWNSHIP
ST. CLAIR COUNTY, MICHIGAN
FINANCIAL REPORT

MARCH 31, 2004

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name GREENWOOD TOWNSHIP	County ST. CLAIR
Audit Date March 31, 2004	Opinion Date March 31, 2004	Date Accountant Report Submitted to State: May 21, 2004	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

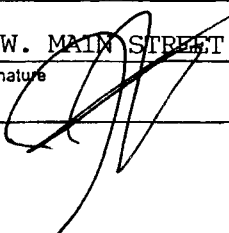
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

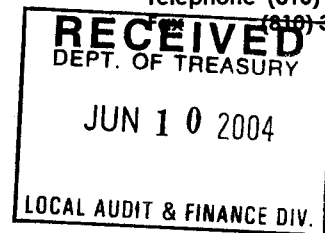
	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) JOHN J. LEHOTAN, C.P.A.			
Street Address 4385 W. MAIN STREET PO BOX 450		City BROWN CITY	State MI
Accountant Signature 		ZIP 48416	Date

JOHN J. LEHOTAN, C.P.A.

4385 W. Main Street
P.O. BOX 450
Brown City, MI 48416

Telephone (810) 346-3569



May 21, 2004

**Members of the Township Board
Greenwood Township
St. Clair County, Michigan**

In accordance with your request, I have made an examination of the financial statements of Greenwood Township for the fiscal year ended March 31, 2004.

From an overall viewpoint, the books and records maintained by the Township Clerk and Treasurer are in good order. I thank the Township officials and employees for the cooperation I received in the completion of this examination.

If I can be of any assistance or should any questions arise, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to be "John J. Lehotan", written over a horizontal line that extends across the page.

John J. Lehotan, C.P.A.

**GREENWOOD TOWNSHIP
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED MARCH 31, 2004**

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Members of the Township Board
Greenwood Township
St. Clair County, Michigan

INDEPENDENT AUDITORS REPORT

I have examined the General Purpose Financial Statements of Greenwood Township as of March 31, 2004, as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant statements presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in Note 1, Greenwood Township, prepares its financial statements on the cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In my opinion, except for the omission of the information mentioned in the preceding paragraphs, the accompanying General Purpose Financial Statements present fairly the various funds of Greenwood Township at March 31, 2004, and the revenues it received and expenditures it paid for the year then ended on the basis of accounting described in Note 1.

The accompanying financial information listed as supporting schedules in the Table of Contents is presented for purposes of additional analysis and is not a required part of the General Purpose Financial Statements of Greenwood Township. The information has been subjected to the auditing procedures applied in the examination of the General Purpose Financial Statements, in my opinion, is fairly stated in all material respects in relation to the General Purpose Financial Statements taken as a whole.

May 21, 2004



CERTIFIED PUBLIC ACCOUNTANT

**COMBINED STATEMENTS
OVERVIEW
(GENERAL PURPOSE FINANCIAL STATEMENTS)**

GREENWOOD TOWNSHIP
COMBINED BALANCE SHEET - ALL FUND TYPES & ACCOUNT GROUPS

CASH BASIS
MARCH 31, 2004

	GOVERNMENTAL FUND TYPES	SPECIAL REVENUE FUND BUILDING PERMIT FUND	FIDUCIARY FUND TYPE TRUST AND AGENCY FUND	ACCOUNT GROUP GENERAL FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
<u>ASSETS</u>					
Cash - checking/money market	\$ 592,949	\$ 7,648	\$ 0	\$ 0	\$ 600,597
Investments	0	0	143,075	0	143,075
Property, Plant, & equipment	0	0	0	970,114	970,114
<u>Total Assets</u>	<u>\$ 592,949</u>	<u>\$ 7,648</u>	<u>\$ 143,075</u>	<u>\$ 970,114</u>	<u>\$ 1,713,786</u>
<u>LIABILITIES AND FUND EQUITY</u>					
<u>LIABILITIES</u>					
Deferred compensation payable	\$ 0	\$ 0	\$ 143,075	\$ 0	\$ 143,075
Due to General Fund	0	0	0	0	0
<u>Total Liabilities</u>	<u>0</u>	<u>0</u>	<u>143,075</u>	<u>0</u>	<u>143,075</u>
<u>FUND EQUITY</u>					
Investment in General Fixed Assets	0	0	0	970,114	970,114
Fund Balances:					
Unreserved - Undesignated	592,949	7,648	0	0	600,597
<u>Total Fund Equity</u>	<u>592,949</u>	<u>7,648</u>	<u>0</u>	<u>970,114</u>	<u>1,570,711</u>
<u>Total Liabilities & Fund Equity</u>	<u>\$ 592,949</u>	<u>\$ 7,648</u>	<u>\$ 143,075</u>	<u>\$ 970,114</u>	<u>\$ 1,713,786</u>

The notes are an integral part of the statements.

GREENWOOD TOWNSHIP
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - CASH BASIS
 ACTUAL - ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED MARCH 31, 2004

<u>REVENUES</u>	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND BUILDING PERMIT FUND</u>	<u>TOTALS MEMORANDUM ONLY</u>
Property Taxes	\$ 335,280	\$ 0	\$ 335,280
State shared revenue	93,985	0	93,985
Investment Income - interest	6,892	0	6,892
Licenses, permits & fees	0	20,571	20,571
Rental Income	1,750	0	1,750
Miscellaneous	12,498	0	12,498
<u>TOTAL REVENUES</u>	<u>450,405</u>	<u>20,571</u>	<u>470,976</u>
<u>EXPENDITURES</u>			
General government	130,081	0	130,081
Public safety	70,897	0	70,897
Highway, streets, & bridges	112,870	0	112,870
Public services	25,343	18,767	44,110
Parks & Recreation	806	0	806
<u>TOTAL EXPENDITURES</u>	<u>339,997</u>	<u>18,767</u>	<u>358,764</u>
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>110,408</u>	<u>1,804</u>	<u>112,212</u>
<u>FUND BALANCES - APRIL 1, 2003</u>	<u>482,541</u>	<u>5,844</u>	<u>488,385</u>
<u>FUND BALANCES - MARCH 31, 2004</u>	<u>\$ 592,949</u>	<u>\$ 7,648</u>	<u>\$ 600,597</u>

The notes are an integral part of the statements.

GREENWOOD TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - CASH BASIS
ACTUAL COMPARED TO BUDGET - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED MARCH 31, 2004

	GENERAL FUND			SPECIAL REVENUE FUND			TOTALS MEMORANDUM ONLY		
	BUILDING PERMIT FUND			VARIANCE FAVORABLE (UNFAVORABLE)			VARIANCE FAVORABLE (UNFAVORABLE)		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES									
Property taxes	\$ 345,000	\$ 335,280	\$ (9,720)	\$ 0	\$ 0	\$ 0	\$ 345,000	\$ 335,280	\$ (9,720)
State shared revenue	85,000	93,985	8,985	0	0	0	85,000	93,985	8,985
Investment income - interest	6,000	6,892	892	0	0	0	6,000	6,892	892
Licenses, permits & fees	0	0	0	20,000	20,571	571	20,000	20,571	571
Rental income	0	1,750	1,750	0	0	0	0	1,750	1,750
Miscellaneous	5,115	12,498	7,383	0	0	0	5,115	12,498	7,383
Total Revenues	441,115	450,405	9,290	20,000	20,571	571	461,115	470,976	9,861
EXPENDITURES									
General government	316,903	130,081	186,822	0	0	0	316,903	130,081	186,822
Public safety	107,200	70,897	36,303	0	0	0	107,200	70,897	36,303
Highways, streets & bridges	176,000	112,870	63,130	0	0	0	176,000	112,870	63,130
Public services	28,000	25,343	2,657	27,500	20,571	6,929	55,500	45,914	9,586
Parks & recreation	7,000	806	6,194	0	0	0	7,000	806	6,194
Total Expenditures	635,103	339,997	295,106	27,500	20,571	6,929	662,603	360,568	302,035
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES									
FUND BALANCE - APRIL 1, 2003	(193,988)	110,408	304,396	(7,500)	1,804	9,304	(201,488)	112,212	313,700
FUND BALANCE - MARCH 31, 2004	\$ 0	\$ 592,949	\$ 592,949	\$ 0	\$ 7,648	\$ 7,648	\$ 0	\$ 600,597	\$ 600,597

The notes are an integral part of the statements.

**GREENWOOD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2004**

The accounting methods and procedures adopted by the Township of Greenwood, St. Clair County, Michigan, conform to generally accepted accounting principles as applied to governmental entities. The following notes to the financial statements are an integral part of the Townships Comprehensive Annual Financial Report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Township was incorporated under the laws of the State of Michigan and operates as a General Law Township, with a Township Board form of government. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Township (the primary government) and its component units. The component units discussed below are included in the Township reporting entity because of the significance of their operational or financial relationships with the Township.

Component units In accordance with generally accepted accounting principles, there are no component units of Government required to be included in the Financial Reporting Entity either as blended component units or discretely presented component units.

Basis of presentation - fund accounting The accounts of the Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The Township has created several types of funds and a number of discrete funds within each fund type. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures/expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions.

The funds are grouped into fund types and generic funds as described below:

Governmental fund types These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

General Fund: This fund is established to account for resources devoted to financing the general services that the Township performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the Township are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Special Revenue Funds: The Special Revenue funds are used to account for the proceeds of specific revenue resources (other than assessments or expendable trusts) that are legally restricted to expenditures for specified purposes. These funds include: Building Permit Fund.

Fiduciary fund types These funds account for assets held by the Township as a trustee or agent for individuals, private organization, and other units of governments. These funds are as follows:

Expendable Trust and Agency Funds: These funds, used to account for assets held in trust of as an agent for others, include the Tax (property) Collection Fund and the Deferred Compensation Trust.

Account groups In addition to the broad types of governmental funds, the Township also maintains one account group as described below:

General Fixed Assets Account Group: This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes.

**GREENWOOD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2004**

Basis of accounting Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The Township utilized the cash basis of accounting for all funds.

Budgetary data The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to April 1, the Township Clerk submits to the Township Board a proposed operating budget for the fiscal year commencing April 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior April 1, the budget is legally enacted.
4. The budget is used by the Township Board as a management tool during the year for all budgetary funds. The budgets are adopted on a cash basis which is not consistent with generally accepted accounting principles. Budgetary control is exercised at the departmental level.
5. Budget amounts are as originally adopted, or as amended by the Township Board. Individual amendments were not material in relation to the original appropriations which were amended.

Cash The Township does not pool cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Township's investments.

Investments Debt securities are valued at cost since it is generally the policy of the Township to hold such investments until they mature.

Due to and due from other funds Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

Other assets Other assets held are recorded and accounted for at cost.

Property, plant, and equipment Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, such as roads, sidewalks, and bridges, are not capitalized. Property, plant, and equipment acquired or constructed for general governmental operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the General Fixed Assets Account Group.

Property, plant, and equipment is stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

Fund equity The unreserved fund balances for governmental funds represent the amount available for budgeting future operations. The reserved fund balances for governmental funds represent the amount that has been legally identified for specific purposes. Unreserved retained earnings for proprietary funds represent the net assets available for future operations or distribution. Reserved retained earnings for proprietary funds represent the net assets that have been legally identified for specific purposes.

Revenues and expenditures/expenses Generally, Revenues for governmental funds, tax revenues, fees, and nontax revenues are recognized when received. Grants from other governments are recorded when qualifying expenditures are paid. Expenditures for governmental funds are recorded when paid.

**GREENWOOD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2004**

Property tax revenues Property taxes are levied on December 1 based on the assessed value of property as listed on the previous December 31. Assessed values are an approximation of market value. A revaluation of all real property must be made every year.

Property taxes are recognized as revenue when they are collected.

Vacation, sick leave, and other compensated absences The Township does not have any contracts or agreements with its employees or elected officials which require the payment of compensation during absence from duty nor do any such benefits vest to the right of the employee or elected official.

Total columns The Combined Financial Statements include total columns that are described as memoranda only. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Interfund transactions have not been eliminated from the total column of each financial statement.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Michigan Compiled Laws, Section 129.91, authorizes the Local Unit to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan.

3. CASH AND INVESTMENTS

The Governmental Accounting Standards Board Statement No. 3, risk disclosures for the Local Unit's cash deposits are as follows:

	<u>CARRYING AMOUNT</u>	<u>BANK BALANCES</u>
Insured (FDIC)	\$ 600,597	\$ 600,597
Uninsured and Uncollateralized	<u>0</u>	<u>0</u>
Total Deposits	<u>\$ 600,597</u>	<u>\$ 600,597</u>

All cash and investments of the Township are in F.D.I.C. and F.S.L.I.C. insured institutions and are held by the Township in the Township's name.

**GREENWOOD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2004**

The GASB Statement 3 risk disclosures for the Local Unit's investments are as follows:

<u>Investment Type</u>	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>Carrying Amount</u>	<u>Market Value</u>
Risk Categorized					
Operating Funds					
US Treasury Bonds	0			0	0
Investment in Deferred Compensation Plans				143,075	143,075
Total Risk-Categorized Investments	0			143,075	143,075

The cash and investments that are represented by specific identifiable investment securities are classified as to credit risk by the three categories described below:

Category 1	Insured or registered, or securities held by the Township or its agent in the Township's name.
Category 2	Uninsured and unregistered, with securities held by the counterparty's trust department or agent
	in the Township's name.
Category 3	Uninsured and unregistered, with securities held by the counterparty, or by its trust department
	or agent but not in the Township's name.

Amounts invested in the Government Pool are recorded at cost which is also the fair market value. Investments in deferred compensation mutual funds are not categorized, in accordance with GASB No. 3, because they are not evidenced by securities that exist in physical or book entry form.

The investments recorded in the Deferred Compensation Fund are held by Public Employees Benefit Services Corporation, as discussed in note 11.

4. PROPERTY TAXES

The Township is responsible for assessing, collecting, and distributing property taxes in accordance with enabling state legislation. Property taxes become a lien on the first day of December of the levy year and may be paid by the following February 14.

Property taxes are not recognized in compliance with NCGAI-3 which states that such revenue is recorded when it becomes measurable and available. Property taxes are recorded as revenue when collected.

The Township levied the following taxes:

General Government Services/Roads	1.00 mills
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Roads/Fire/Trash Services	2.00 mills
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**GREENWOOD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2004**

5. DUE TO/FROM OTHER FUNDS

As of March 31, 2004, interfund receivables and payables that resulted from various interfund transactions were as follows:

	Due from other funds	Due to other funds
General Fund	\$ 0	\$ 0
Tax Collection Fund	0	0
Total Deposits	<u>\$ 0</u>	<u>\$ 0</u>

6. PROPERTY, PLANT, AND EQUIPMENT

Activity for general fixed assets that are capitalized by the Township is summarized below:

	BALANCE April 1, 2003	ADDITIONS	DEDUCTIONS	BALANCE March 31, 2004
Twp. Land & Bldg (new) \$	215,064	\$ 0	\$ 0	\$ 215,064
Twp. Hall additon	0	1,800	0	1,800
Office furniture & equip.	27,586	1,099	0	28,685
Fire hall	210,000	0	0	210,000
Fire equipment	369,588	0	0	369,588
Park land	117,657	0	0	117,657
Baseball field improve.	17,283	0	0	17,283
Brush cutting equipmmt	3,143	0	0	3,143
Picnic pavilion	6,894	0	0	6,894
Total	<u>\$ 967,215</u>	<u>\$ 2,899</u>	<u>\$ 0</u>	<u>\$ 970,114</u>

7. DEFICIT FUND BALANCE OR RETAINED EARNINGS BALANCES OF INDIVIDUAL FUNDS

None

8. COMPARATIVE DATA

Comparative total data for the prior year has not been presented.

**GREENWOOD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2004**

9. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

P.A. 621 of 1978, section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township actual expenditures and budgeted expenditures for the budgetary funds have been shown on a activity basis. The approved budgets of the Township for these budgetary funds were adopted to the activity level.

During the year ended 3/31/04, the Township incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated, as follows:

	<u>TOTAL APPROPRIATIONS</u>	<u>AMOUNT OF EXPENDITURES</u>	<u>BUDGET VARIANCE</u>
Printing & Publishing	\$ 2,000	\$ 2,556	\$ 556

10. POST EMPLOYMENT BENEFITS

The Township does not provide any post employment benefits other than the pension benefits.

11. DEFERRED COMPENSATION PLAN

Employees of the Township may participate in a deferred compensation plan adopted under the provisions of Internal revenue Code Section 457 (Deferred Compensation Plans With Respect To Service For State and Local Governments).

The deferred compensation plan is available to all employees of the Township. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by an unrelated financial institution. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the Township subject only to claims of the Township's general creditors. In addition the participants in the plan have rights equal to those of the general creditors of the Township and each participant's rights are equal to his or her share of the fair market value of the plan assets. The Township believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that might arise.

As part of its fiduciary role, the Township has an obligation of due care in selecting the third party administrator. In the opinion of the Township's legal counsel, the Township has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

The Plans are administered by Public Employees Benefit Services Corporation (PEBSCO). The assets and liabilities held by PEBSCO are reported at market value in the Deferred Compensation Agency Fund. The total amount payable to plan participants is reported as deferred compensation payable.

12. RISK MANAGEMENT

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries, as well as medical and workman's compensation benefits provided to employees. The Township has purchased commercial insurance for the various risks of loss stated above.

Settled claims for the commercial insurance have not exceeded the amount of coverage in any of the past three years. There was no reduction in coverage's obtained through commercial insurance during the past year.

SUPPORTING SCHEDULES

GREENWOOD TOWNSHIP
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - CASH BASIS
 ACTUAL COMPARED TO BUDGET - GENERAL FUND
 FOR THE YEAR ENDED MARCH 31, 2004

	GENERAL FUND		
	AMENDED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
<u>TAXES</u>			
Property taxes - general operating	\$ 115,000	\$ 111,759	\$ (3,241)
Property taxes - roads/fire/trash	230,000	223,521	(6,479)
<u>Total Taxes</u>	345,000	335,280	(9,720)
<u>STATE SHARED REVENUE</u>	85,000	93,985	8,985
<u>INTEREST EARNINGS</u>	6,000	6,892	892
<u>MISCELLANEOUS REVENUES</u>			
Reimbursements - county park millage	5,100	5,231	131
Rental - Township Hall	0	1,750	1,750
Refunds, Reimb. and misc.	15	7,267	7,252
<u>Total Revenues</u>	\$ 441,115	\$ 450,405	\$ 9,290

GREENWOOD TOWNSHIP
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH BASIS
ACTUAL COMPARED TO BUDGET - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	<u>GENERAL FUND</u>		
	<u>AMENDED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>EXPENDITURES</u>			
<u>TOWNSHIP BOARD SALARIES</u>			
Supervisor and Assessor	\$ 19,535	\$ 17,535	\$ 2,000
Clerk	9,618	9,618	0
Treasurer	9,150	9,150	0
Township Board	6,500	4,815	1,685
Township Treasurer & Clerk - Deputies	1,200	1,200	0
	<u>46,003</u>	<u>42,318</u>	<u>3,685</u>
<u>OTHER EXPENDITURES</u>			
Office salaries	18,000	13,405	4,595
Data processing	3,000	1,852	1,148
Office supplies/telephone	11,500	7,130	4,370
Township hall and grounds	174,400	21,268	153,132
Township dues	2,500	2,037	463
Printing & publishing	2,000	2,556	(556)
Elections	1,000	0	1,000
Legal fees	15,000	12,483	2,517
Cemetery	500	260	240
Insurance	20,000	16,369	3,631
Board of reveiw	2,000	1,544	456
Fringe benefits	11,000	8,348	2,652
Miscellaneous	10,000	511	9,489
<u>Total General Government</u>	<u>316,903</u>	<u>130,081</u>	<u>186,822</u>
Fire protection	84,000	50,296	33,704
Ordinance enforcement	2,500	2,000	500
Planning commission/zoning board/Adm.	17,500	16,677	823
Health protection	1,000	0	1,000
Street lights	2,200	1,924	276
Highways, streets, & bridges	166,000	104,000	62,000
Drains at large	10,000	8,870	1,130
Sanitation	28,000	25,343	2,657
Recreation	7,000	806	6,194
<u>Total Expenditures</u>	<u>635,103</u>	<u>339,997</u>	<u>295,106</u>
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(193,988)</u>	<u>110,408</u>	<u>304,396</u>
<u>FUND BALANCES - APRIL 1, 2003</u>	<u>193,988</u>	<u>482,541</u>	<u>288,553</u>
<u>FUND BALANCES - MARCH 31, 2004</u>	<u>\$ 0</u>	<u>\$ 592,949</u>	<u>\$ 592,949</u>